

2000HANOI00864 - UNCLASSIFIED

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ACTION EAP-00

INFO	LOG-00	NP-00	AGRE-00	AID-00	ACQ-00	CEA-01	CIAE-00
	COME-00	CTME-00	DOEE-00	ITCE-00	DOTE-00	SRPP-00	DS-00
	EB-00	EXME-00	E-00	FAAE-00	FBIE-00	UTED-00	VC-01
	FRB-00	H-01	TEDE-00	INR-00	ITC-01	L-00	AC-01
	NSAE-00	NSCE-00	OMB-01	OPIC-01	PA-00	PM-00	PRS-00
	ACE-00	P-00	SP-00	SSO-00	STR-00	TRSE-00	USIE-00
	PMB-00	DSCC-00	DRL-02	G-00	NFAT-00	SAS-00	/009W

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FM AMEMBASSY HANOI
TO SECSTATE WASHDC 9650
INFO AMEMBASSY PHNOM PENH
AMCONSUL HO CHI MINH CITY
ASEAN COLLECTIVE
SECDEF WASHDC
USCINCPAC HONOLULU HI//J5/FPA//
DIA WASHDC

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SIPDIS

STATE FOR EAP/BCLTV, EB/TPP/ATT, DRL, INR
STATE PASS USAID/ANE/SOULES, MCCLUSKEY
PHNOM PENH FOR USAID/PEARSON
NSC FOR RAVIC HUSO
SECDEF FOR ISA/LSTERN

E.O. 12958: N/A

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TAGS: [PREL](#) [EAID](#) [PGOV](#) [ECON](#) [EIND](#) [ETRD](#) [VM](#)

SUBJECT: AMBASSADOR'S VISIT TO NAM DINH: AGRICULTURAL PROVINCE MAKES TEXTILES, CRAFTS; NGO'S HELP MEET LOCAL NEEDS

1. SUMMARY: IN HIS FIRST WORKING VISIT TO NAM DINH PROVINCE, JUST SOUTHEAST OF HANOI, THE AMBASSADOR MET WITH PROVINCIAL OFFICIALS, TOURED A STATE-OWNED TEXTILE PLANT AND VISITED NGO PROJECTS, LOCAL SCHOOLS AND A HOSPITAL. THOUGH THE PROVINCIAL LEADERSHIP IS OPEN AND ENGAGING, THE LARGELY AGRICULTURAL PROVINCE IS NOT MOVING ENERGETICALLY TO CREATE NEW ECONOMIC OPPORTUNITIES. THE STATE-OWNED TEXTILE PLANT, WHICH EMPLOYS 7,700 PEOPLE, PRODUCED ONLY 30 NEW JOBS LAST YEAR. INTERNATIONAL NGO'S OPERATING IN NAM DINH HELP FILL THE SOCIAL GAPS: THE ADVENTIST AID AGENCY ASSISTS BLIND CHILDREN TO INTEGRATE INTO THE COMMUNITY, WHILE SAVE THE CHILDREN/USA PROVIDES SUPPLEMENTARY NUTRITION TO MALNOURISHED INFANTS AND TODDLERS. END SUMMARY.

PEOPLE'S COMMITTEE LEADERSHIP PITCHES LOCAL INDUSTRIES

2. IN AN APRIL 24 VISIT TO NAM DINH PROVINCE, WHOSE PROVINCIAL CAPITAL IS ABOUT 75 KM SOUTHEAST OF HANOI, THE AMBASSADOR MET WITH PEOPLE'S COMMITTEE CHAIRMAN TRAN TRUNG AM, WHO BRIEFED HIM ON LOCAL CONDITIONS. (AMBASSADOR WAS ACCOMPANIED BY POLOFF AND INTERPRETER. AM WAS JOINED BY OFFICIALS FROM THE PROVINCIAL EXTERNAL RELATIONS AND HEALTH DEPARTMENTS.) AMBASSADOR NOTED THIS WAS HIS FIRST WORKING VISIT TO THE PROVINCE; HE POINTED OUT THERE ARE ONLY TEN PROVINCES HE HAS NOT YET VISITED. AM SAID NAM DINH IS THE MOST POPULOUS PROVINCE OF THE RED RIVER DELTA, WITH 2
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MILLION PEOPLE, LARGELY INVOLVED IN AGRICULTURE. AM SAID RICE IS THE LARGEST EXPORT; PIGS AND VEGETABLES ARE ALSO LEADING COMMODITIES. THERE IS AN IMPORTANT TEXTILE INDUSTRY, ORIGINALLY ESTABLISHED BY THE FRENCH; WHILE IT HAS DECLINED SOMEWHAT IN RECENT YEARS, ITS MANAGERS HAVE BEEN WORKING RECENTLY TO INCREASE PRODUCTION. THE PROVINCE'S STATE-OWNED TEXTILE ENTERPRISES EXPORT ABOUT USD 40 MILLION IN GOODS, INCLUDING PREPARED CLOTHING, EACH YEAR. AM SAID HE HOPED THE U.S. WOULD EXPAND ITS INVESTMENT IN THE PROVINCE, INCLUDING IN OIL EXPLORATION, WHICH WAS PREVIOUSLY ATTEMPTED BY THE SOVIETS.

3. THE AMBASSADOR RESPONDED THAT VIETNAM IS BLESSED WITH MANY RESOURCES AND HAS GREAT ECONOMIC POTENTIAL. THE COUNTRY'S GREATEST ASSET IS ITS PEOPLE, WHO ARE CREATIVE AND HARD WORKING. BUT TO TAKE ADVANTAGE OF THESE OPPORTUNITIES, VIETNAM NEEDS CREATIVE LEADERSHIP. THE AMBASSADOR SAID AM, AS CHAIR OF NAM DINH, HAS TO LEAD HIS PROVINCE TO COMPETE WITH OTHER COUNTRIES IN THE REGION IN ORDER TO GAIN INVESTMENT. HE SAID THERE ARE MANY AMERICANS WHO EXPLORED INVESTING IN VIETNAM, ESPECIALLY DURING THE YEARS 1994-96, BUT HAVE GONE ELSEWHERE BECAUSE THERE ARE BETTER OPPORTUNITIES IN OTHER COUNTRIES. THE AMBASSADOR SAID THE U.S. WANTS VIETNAM TO BE SUCCESSFUL AND WANTS TO WORK WITH VIETNAM TO ADDRESS CHALLENGES CONFRONTING THE COUNTRY. WITH

PROPER LEADERSHIP, NAM DINH PROVINCE COULD BE VERY SUCCESSFUL IN THE YEARS AHEAD. HE NOTED A KEY OBSTACLE NOW IS THE SRV'S INABILITY TO MOVE FORWARD TO SIGN THE BILATERAL TRADE AGREEMENT (BTA) NEGOTIATED BETWEEN OUR COUNTRIES. HE NOTED A BTA IS KEY TO INCREASING U.S. INVESTORS' CONFIDENCE; A BTA WOULD OPEN UP MILLIONS OF DOLLARS OF NEW INVESTMENT.

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14. IN RESPONSE TO THE AMBASSADOR'S QUESTION, AM NOTED THE PROVINCE IS LOOKING TO EXPAND ITS SEAFOOD EXPORTS; THESE PRODUCTS ARE SHIPPED OUT OF HAIPHONG HARBOR. AM SAID THE JAPANESE GOVERNMENT IS ASSISTING THE PROVINCE TO IMPROVE TRANSPORTATION LINKS AMONG NAM DINH, NINH BINH AND THAI BINH PROVINCES TO ENCOURAGE TRADE WITH THAILAND. AM NOTED BOTH RAIL LINKS AND WATERWAYS WOULD BE IMPROVED TO FACILITATE THIS TRADE.

STATE-OWNED TEXTILE FACTORY CREATING FEW NEW JOBS

15. THE AMBASSADOR VISITED THE PROVINCE'S HUGE STATE-OWNED TEXTILE FACTORY, WHICH EMPLOYS 7,700 PERSONS IN ALL ASPECTS OF PRODUCTION. THE FACTORY PRODUCES FINISHED CLOTHING ITEMS, INCLUDING 100 PERCENT COTTON, 100 PERCENT POLYESTER, AND BLENDED FABRICS. RAW COTTON IS IMPORTED FROM KAZAKHSTAN; POLYESTER IS IMPORTED FROM TAIWAN AND SOUTH KOREA. THE EQUIPMENT IN THE PLANT COMES FROM GERMANY, BELGIUM, FRANCE, JAPAN AND SOUTH KOREA. FACTORY FLOOR OPERATORS SAID CLOTHES ARE EXPORTED TO JAPAN, GERMANY, THE CZECH REPUBLIC AND NUMEROUS OTHER MARKETS. THEY CLAIMED 36 PERCENT OF OUTPUT IS FOR EXPORT.

16. DURING HIS VISIT, THE AMBASSADOR WAS SHOWN AROUND THE FACTORY BY THREE PRODUCTION SECTION HEADS, TWO OF WHOM WERE WOMEN. THE FACILITIES WERE CLEAN, AND A CURSORY LOOK AT THE FACILITIES SUGGESTED WORKING CONDITIONS WERE GENERALLY ADEQUATE. HOWEVER, THE AIR IN THE AREA WHERE COTTON AND POLYESTER ARE SPUN INTO THREAD WAS THICK WITH DUST AND FIBERS, AND NOT PARTICULARLY WELL VENTILATED. SOME, BUT NOT ALL, WORKERS WORE MASKS. FACTORY REPRESENTATIVES SAID THE EMPLOYEES WERE TRAINED AT THE LOCAL PROVINCIAL SCHOOL. ACCORDING TO THE PLANT MANAGER, 30 NEW EMPLOYEES WERE HIRED LAST YEAR. (COMMENT: THAT ONLY 30 NEW JOBS WERE CREATED AT THIS HUGE FACTORY AT A TIME WHEN VIETNAM IS SEEKING TO EXPAND ITS EXPORTS SUGGESTS THIS IS ANOTHER OF THE LARGE STATE-OWNED DINOSAURS THAT IS WEIGHING DOWN VIETNAM'S ECONOMIC POTENTIAL. END COMMENT.)

NGO'S WORKING TO FILL UNMET LOCAL NEEDS

17. ACCOMPANIED BY PROVINCIAL OFFICIALS, AMBASSADOR VISITED SEPARATE HUMANITARIAN PROJECTS OPERATED BY THE ADVENTIST DEVELOPMENT AND RELIEF AGENCY (ADRA) AND SAVE THE CHILDREN/USA. THE ADRA PROJECT HAS WORKED WITH THE NAM DINH PROVINCIAL BLIND ASSOCIATION SINCE MAY 1999 TO TEACH BLIND CHILDREN SKILLS TO HELP THEM INTEGRATE INTO SOCIETY. THE

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FIRST PROJECT TAUGHT 13 CHILDREN FROM 10-15 YEARS OLD FOR THREE MONTHS, AND THE SECOND CLASS, WHICH JUST BEGAN, TEACHES AN ADDITIONAL 13 CHILDREN. THE AMBASSADOR MET WITH STUDENTS WHO ARE LEARNING TO READ AND WRITE BRAILLE, IN ORDER TO TAKE DICTATION AND LEARN MATH. THEY ALSO RECEIVE TRAINING IN HOW TO OPERATE MORE INDEPENDENTLY IN THEIR COMMUNITIES. THE GOAL IS FOR THE STUDENTS TO JOIN REGULAR PRIMARY AND SECONDARY SCHOOLS AFTER COMPLETING THE ADRA COURSES. FROM THE FIRST SCHOOL, TWO OF THE 13 STUDENTS ARE TRAINING TO BECOME TEACHERS OF BRAILLE AND ONE IS BEING TRAINED FOR PHYSICAL THERAPY MASSAGE. THE AMBASSADOR APPLAUDED THE WORK OF THE ASSOCIATION AND ADRA IN HELPING THE STUDENTS INTEGRATE INTO SOCIETY, AND ENCOURAGED THE STUDENTS TO CONTINUE THEIR HARD WORK AND COMMITMENT TO LEARNING.

18. THE AMBASSADOR ALSO VISITED A CHILD NUTRITION PROJECT WHICH HAS BEEN OPERATED BY SAVE THE CHILDREN/USA AT SIX SITES FOR THE PAST 11 MONTHS. THE PROJECT PROVIDES SUPPLEMENTAL FOOD TO MALNOURISHED CHILDREN UNDER 3 YEARS OLD IN PARTICULARLY ISOLATED VILLAGES WHERE AT LEAST 16 PERCENT OF THE POPULATION IS UNDERNOURISHED. THE PROJECT HAS TARGETTED MORE THAN 400 FAMILIES WITH YOUNG CHILDREN, HAVING THE MOTHERS BRING THE KIDS INTO LOCAL VILLAGE CLINICS TO RECEIVE THE DAILY PORTIONS OF RICE, GREEN LEAFY VEGETABLES AND BANANAS. SOME OF THE GOALS ARE TO TEACH THE PARENTS ABOUT GOOD, COST-EFFICIENT EATING HABITS AND TO HELP AT-RISK CHILDREN SO THEY DO NOT SUFFER LONG-TERM HARM TO THEIR DEVELOPMENT. VISITING THE FEEDING CENTER IN VINH HAO TOWN IN VU BAN DISTRICT, THE AMBASSADOR TOLD THE PROJECT OPERATORS HE WAS VERY IMPRESSED WITH THE PROGRAM AND ITS

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EFFORTS TO REACH AT-RISK KIDS. HE HOPED THAT SUCH PROJECTS COULD BE EXPANDED TO HELP MALNOURISHED CHILDREN.

TOURS OF PROVINCIAL HOSPITAL AND SCHOOLS

19. IN A VISIT TO THE NAM DINH GENERAL HOSPITAL, THE AMBASSADOR MET WITH THE TWO VICE DIRECTORS AND TOOK A TOUR OF THE FACILITIES. THE HOSPITAL, WHICH IS THE LARGEST IN THE REGION, HAS 400 BEDS AND 83 DOCTORS AND ABOUT 200 NURSES ON STAFF. RESPONDING TO THE AMBASSADOR'S QUESTION, HOSPITAL OFFICIALS SAID ABOUT 6 PERCENT OF PATIENTS ARE FOR SERIOUS TRAUMA CASES, THOUGH MANY MORE TRAUMA PATIENTS GO TO THE OTHER SMALLER CLINICS IN THE PROVINCE. THERE ARE MANY TYPES OF TRAUMA VICTIMS, FROM AUTO, FARM AND OTHER ACCIDENTS. HOSPITAL OFFICIALS SAID, THOUGH THEIR DIAGNOSTIC EQUIPMENT IS LIMITED, THEY MAKE DO WITH WHAT THEY HAVE, THOUGH THEY MADE A PITCH FOR SPECIALIZED EQUIPMENT FROM THE U.S.

110. THE AMBASSADOR ALSO VISITED A TRAINING SCHOOL FOR BOYS AND GIRLS TO HELP THEM LEARN THE WOODWORKING AND CRAFTSMaking SKILLS OF THE PROVINCE, AS WELL AS AN 18-ROOM ELEMENTARY SCHOOL THAT HAS 650 STUDENTS. AT THE ELEMENTARY SCHOOL, THE AMBASSADOR MET WITH THE DEPUTY RECTOR, WHO DESCRIBED THE CHALLENGES FACING HER SCHOOL BECAUSE OF RESOURCE CONSTRAINTS. SHE STRESSED THE STRONG COMMITMENT OF LOCAL FAMILIES TO EDUCATION. SHE ASKED WHETHER THE AMBASSADOR COULD ASSIST VIETNAM IN CONSTRUCTING AN ADDITIONAL CLASSROOM TO BE USED FOR A SCHOOL LAB, WHICH REPORTEDLY WOULD COST \$3,000. WHEN THE AMBASSADOR VISITED FIRST- AND FIFTH-GRADE CLASSROOMS, HE SAW BETWEEN 34 AND 36 STUDENTS STUDYING AT NARROW WOODEN TABLES. THEY HAD SMALL PAPERBACK BOOKLETS FOR MATH AND READING, AS WELL AS SMALL TABLETS AND PENCILS.

111. COMMENT: THE LEADERSHIP OF THE NAM DINH PROVINCE PEOPLE'S COMMITTEE IS MORE OPEN AND ENGAGING IN DIALOGUE THAN MANY OF VIETNAM'S PROVINCES. AM, THE PEOPLE'S COMMITTEE CHAIR, SEEMED TO BE ON TOP OF HIS BRIEF AND AWARE OF THE CHALLENGES FACING HIS PROVINCE. AS ARTICULATED BY THE AMBASSADOR, THE TRUE CHALLENGE IS EXERCISING LEADERSHIP TO ESTABLISH FAVORABLE CONDITIONS TO ATTRACT INVESTMENT AND LEAD TO BROADER PROSPERITY IN THE PROVINCE. THUS FAR, THE PALTRY NUMBER OF LOCAL JOBS CREATED AT THE PROVINCE'S HUGE TEXTILE FACTORY DOES NOT BODE WELL FOR SPURRING ECONOMIC GROWTH IN THE PROVINCE. VARIOUS NGO'S, SUCH AS SAVE THE CHILDREN AND ADRA, PERFORM VALUABLE SERVICE IN HELPING MEET IMPORTANT HUMAN DEVELOPMENT NEEDS LEFT UNMET BY LOCAL GOVERNMENT. END COMMENT.
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